SECRET :

Grant of Rewards to informants about evasion of Entry Tax for making applicable the scheme to the Maharashtra Tax on entry of Motor Vehicles into Local Areas Act, 1987 administered by the Sales Tax Department,

GOVERNMENT OF MAHARASHTRA,
Finance Department
Resolution No.STA-1096/CR-125/Taxation-2

Dated the 28th January 2000.

1. BACKGROUND :-

It has been noted that vehicle population on roads in Maharashtra with registration marks of other States had gone up substantially. The Maharashtra Tax on entry of Motor Vehicles into Local Areas Act, 1987 (hereinafter referred to as the "Said Act") is administered by the Sales Tax Department of the Government. The provisions contained in the said Act provide for payment of Entry Tax equivalent to the amount of the Sales Tax on the purchase value of the motor vehicle entering into the State of Maharashtra which is liable for registration or for which an assignment of a new Registration mark is required to be obtained in the State under the Maharashtra Tax on entry of Motor Vehicles into Local Areas Act, 1987. A drive was undertaken by the Sales Tax Department in June and September, 1996 and large number of cases were detected wherein users were residents of Maharashtra whereas vehicles were registered in other States mainly in Madhya Pradesh. This drive had been successful resulting into substantial collection of revenue in the form of evaded Entry Tax. However, the evasion of Entry Tax has not stopped completely and therefore a Rewards Scheme is essential for seeking information from law abiding citizens for investigations and recovery of evaded Entry Tax. The Government has

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examined the proposal and decided as follows.

2. RESOLUTION :

It is hereby declared that subject to conditions enumerated in para 3, a cash reward to the extent indicated hereinbelow, shall be sanctioned and given by the Commissioner of Sales Tax, Maharashtra State, Mumbai, to the law abiding citizens providing vital information of evaded Entry Tax on motor vehicles.

(a) in respect of two/three wheeler motor vehicles to the extent of Rs.250/- per vehicle.

(b) in respect of four wheeler motor vehicles, to the extent of Rs. 1,000/- per vehicle.

The Commissioner of Sales Tax, Maharashtra State, Mumbai is hereby authorised to delegate the authority to lower officers but not below the rank of Deputy Commissioner of Sales Tax to sanction and disburse the claims of rewards. He is also authorised to devise a mechanism and foolproof procedure to protect the interests of the State.

3. CONDITIONS :

1) The rewards shall be offered only if the information is given by the informant on the basis of which the matter is investigated by the Sales Tax Department.

2) The reward shall be sanctioned only after the evaded taxes have been received into the Govt. Treasury and no claim of refund of the same is lodged by the owner/user of the motor vehicle.

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3) Reward shall be sanctioned only if the Entry Tax realised exceeds Rs.2,000/- (Rupees Two Thousand).

4) The officer receiving the information gives a certificate indicating that the informatic was valuable and otherwise chances of detection were weak.

5) The Deputy Commissioner of Sales Tax (Adm) shall obtain information from the informe in Form-A and certify that the information was not processed in his office earlier to receipt of the same from the informant.

6) The expenditure on the account should be debited to the Budget Head "240, Sales Tax - A - Directions and Administration (i) Sales Tax Commissioner".

By order and in the name of the Governor of Maharashtra.

Enclosure - Annexure 'A'.

(A.G.Deshmukh)
Deputy Secretary to Government,
Finance Department.

Copy to:

1) The Commissioner of Sales Tax, Maharashtra State, Vikrikar Bhavan, Mazgaon.Bombay-400 010.
2) All Additional Commissioner of Sales Tax.

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3) All Deputy Commissioner of Sales Tax.

4) The Accountant General (STRA), Maharashtra-I, Vikrikar Bhavan, Mazgaon, Bombay-400 032.

5) The Accountant General (STRA), Maharashtra-II, Nagpur.

6) The Pay and Accounts Officer, Bombay.

7) The Resident Audit Officer, Bombay.

8) The Desks Taxation-1, Taxation-3, and Taxation-4 in Finance Department, Mantralaya, Bombay-400 032.

9) The Select File, Taxation-2.